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TRADE AND DEVELOPMENT BOARD
Committee on Shipping
Fourteenth session
Geneva, 21 June 1990
Agenda item 3

Sessional Committee 2

DRAFT REPORT OF SESSIONAL COMMITTEE 2

Rapporteur: Mr. Douglas PELKOLA (Canada)

CONTENTS

Chapter		Paragraphs
	Introduction	(i) - (iv)
I.	Multimodal transport (Agenda item 3)	1 - 35

INTRODUCTION

(i) At its 154th (opening) meeting, on 21 June 1990, the Committee on Shipping decided to establish a sessional committee of the whole (Sessional Committee 2) to consider and report on the following agenda item:

Item 3: Multimodal transport.

(ii) At its 1st meeting on 21 June 1990, Sessional Committee 2 elected the following officers:

Chairman: Mr. G.A. Levikov (Union of Soviet Socialist Republics)

Vice-Chairman-cum-Rapporteur: Mr. D.W. Pelkola (Canada).

(iii) In the course of the session, Sessional Committee 2 held ..... plenary meetings. This report gives a brief account of the proceedings of those meetings.

((iv) At its ..... (closing) meeting, on .... June 1990, the Sessional Committee adopted its draft report (TD/B/C.4(XIV)/SC.2/L.1) and recommended that it be incorporated, as appropriate, in the final report of the Committee on Shipping.)

Chapter I

MULTIMODAL TRANSPORT

(Agenda item 3)

1. For its consideration of agenda item 3, the Committee on Shipping had before it the following documents:

- "The economic and commercial implications of the entry into force of the Hamburg Rules and the Multimodal Transport Convention" - report by the UNCTAD secretariat (part two) (TD/B/C.4/315(Part II) and Corr.1)
- "Inventory of existing mandates and new draft programme of work in the fields of multimodal transport and technological development" - report by the UNCTAD secretariat (TD/B/C.4/323)
- "Developments in multimodal transport" - report by the UNCTAD secretariat (TD/B/C.4/328)
- "Review of developments in standardization of containers and related activities" - report by the UNCTAD secretariat (TD/B/C.4/329)
- "Information material for shippers to make the most efficient use of multimodal transport" - report by the UNCTAD secretariat (TD/B/C.4/330).

Consideration in Sessional Committee 2

2. Introducing the item, the Chairman stressed the importance of document TD/B/C.4/323 as it set forth fundamental issues, in particular the secretariat's programme of work on multimodal transport.

3. The spokesman for the Group of 77 (Sri Lanka) expressed his Group's concern at the prospect that developed countries' multimodal transport operators would by the end of the century control all component parts of the transport system, with operators from developing countries being left on the sidelines as mere subcontractors. Without minimizing the benefits of such integration of transport means, he suggested that the effects of "mega multimodal transport operators" and the development of total distribution systems in developing countries be studied with a view to finding ways of joining forces to counter the possible threat.

4. He further suggested a study on the effect of EDI on transport organizers and shippers in developing countries and on the development of local community EDI systems as well as software developments for the transport industry in order to promote the introduction of EDI.

READEX

5. He described the Group of 77's preoccupation with the increasing use of larger than ISO standard containers and supported the UNCTAD secretariat's participation in ISO meetings dealing with containerization so that developing countries' views could be adequately taken into account in this forum. He suggested that the UNCTAD secretariat be instructed to continue its monitoring of the increases in container dimensions. His Group would support a study on the emergence of "mega container lessors" which would report back to the Committee as soon as possible. He also suggested that the secretariat should undertake a study of the possibility of creating container pools in developing countries to reduce leasing expenses.

6. The Group of 77 would support a study on possible entry barriers to freight forwarders and multimodal transport operators entering the international transport market. On technical assistance and training activities rendered by the secretariat, the Group of 77 would support a resolution for continuing such efforts.

7. Regarding the issue of a new programme of work for the secretariat, the Group of 77 felt that such a programme should give the secretariat adequate lead time to carry out the new mandates over several years. Considering the shortage of subject-matter experts in the sessions of the Committee on Shipping, particularly with regard to the Group of 77 delegations, his Group recommended that there be a proposal to create a new permanent working group on multimodal transport, and that this group would meet every other year, alternating with regular Committee on Shipping meetings.

8. He expressed concern at the poorly defined status of the freight forwarding industry and suggested the need for internationally recognized rules. His Group therefore supported the drafting of a set of non-mandatory minimum standards for freight forwarders and multimodal transport operators and the investigation by the secretariat of the possible merits of a convention on freight forwarding.

9. The spokesman for Group D (Bulgaria) said that his Group considered that the secretariat had carried out important work in the field of multimodal transport which was far from being terminated since multimodal transport was a dynamic activity undergoing serious changes. One of these changes was the transition to paperless technology on the basis of computerized data communications, without which further development of multimodal transport was inconceivable. Group D considered that the Committee should actively participate in this work, contributing in particular to the creation of a

computerized system of communications between trade and business partners and to the elaboration and implementation of standard forms of documents on the basis of EDIFACT requirements.

10. Among tne other important problems in the field of multimodal transport, he mentioned cargo tracking; correspondence between the dimensions and other parameters of different equipment items; and facilitation of procedures and documentation in transport and customs operations.

11. Taking into account the limited resources, the countries of Group D considered that the following items should be taken up as a matter of priority in the work of the secretariat: the influence of the activities of mega-operators, using modern and sophisticated technology and computerized communications, on the development of multimodal transport; the conversion of multimodal transport operators into suppliers of comprehensive transport and logistic services; the evolution of dimensions and mass of containers and the attitude to the new generation of container standards; and the dissemination of information and technical assistance in the field of multimodal transport to the interested countries.

12. The spokesman for Group B (Netherlands) said that the discussion on multimodal transport had come at the right moment because of the importance of this phenomenon and because most of the secretariat's mandates under Board decision 169 (XVIII) and subsequent decisions of the Committee on Shipping, such as 36 (IX) and 47 (X), had almost been fulfilled. Generally, the documents on this item were valuable and, although his Group did not necessarily agree with everything they contained, it had learned much from them. The evaluation of work provided in the first part of TD/B/C.4/323 could serve as a blueprint for other activities in the Committee as related to ports, legislation, etc. In the opinion of Group B, the bottle-necks for getting involved in multimodal transport were lack of appropriate infrastructure and organization and managerial skills as well as shortcomings in legislation. He stressed that the Committee on Shipping was a policy body which should discuss broad issues and let experts go into the substance. The documents, in particular, document TD/B/C.4/323, which contained proposals for a work programme for the short and medium term, did not point out clearly what impediments developing countries faced in multimodal transport. In the view of Group B, it was important to identify needs and possible barriers to establishing multimodal transport, and hence to develop a strategy taking into account what had been done under the mandate in resolution 36 (IX). On the

options for a working group on multimodal transport, Group B preferred an expert group which could find out what the actual needs were and what could be done. In his view, the UNCTAD experience in working with expert groups was positive. Finally, he suggested that the secretariat should make a presentation to the Committee on multimodal transport to familiarize delegations with this concept.

13. The representative of China recognized that multimodal transport represented a revolution in international transport services. He outlined the difficulties and problems still confronted in China regarding multimodal transport. However, China was fully aware of its advantages and potential and sought enlightenment on this subject from the Committee. His country was making use of TD/B/C.4/315 to study carefully the implications for its economy of the entry into force of the two Conventions. He appreciated the secretariat's contribution in the field of technical assistance and training. On the question of container standards, China was preoccupied by the use of larger than ISO standard containers and called for stability and further studies in the field of international container standards. In reference to TD/B/C.4/323, he recognized the pertinence of the proposals therein and hoped that consensus could be found on the new programme of work.

14. The spokesman for Group D (Bulgaria) said that TD/B/C.4/315 contained a profound analysis of the possible consequences of adhering to the Multimodal Transport Convention. However, the statement that the transport sector could quickly adapt itself to the new régime of responsibility seemed to be questionable. Since the perspectives for the entry into force of this Convention were not clear, this study for the time being had a rather theoretical significance. He confirmed that the Group D countries did not object to the study being issued in the form of a booklet.

15. The representative of India agreed that both parts of this document should be circulated in the form of a booklet.

16. The spokesman for Group B (Netherlands) reiterated that some of the countries of his Group had reservations concerning the conclusions of the two parts and suggested that the publication might be left in its present state. He asked the secretariat to explain how so many studies were assembled in TD/B/C.4/323.

17. The representative of the UNCTAD secretariat explained that the document had been prepared following the recommendations of the Group of Experts on Economic Co-operation Among Developing Countries in the field of Shipping,

Ports and Multimodal Transport. Additional tasks derived from technical assistance activities and workshops in various parts of the world, where many opportunities were given to identify and discuss needs for new activities with industrial and governmental sectors. All these tasks needed to be accorded priority and he urged the Committee on Shipping to rank them in order with a view to longer-term mandates that would allow the secretariat to plan its work better.

18. Referring to document TD/B/C.4/315, the spokesman for Group B (Netherlands) asked if Part II would need redrafting considering the ongoing UNCTAD/ICC work on multimodal transport documents. The representative of the UNCTAD secretariat confirmed that this would not influence the document. The representative of JUNAC commented that multimodal transport already existed outside the Multimodal Transport Convention and that the secretariat should investigate requirements to develop multimodal transport in a country. The representative of India referred to the mandate under which the report had been prepared as well as the reservations which a number of countries had regarding the provisions of the Convention and suggested that the Committee take note of the report contained in document TD/B/C.4/315, and that its two parts be merged into a booklet. It would be for individual Governments to decide regarding ratification or otherwise. He was supported by the spokesman for Group D and the representative of China. The Chairman recalled that the UNCTAD secretariat had received the mandate to produce a booklet. The spokesman for Group B recognized that his Group had requested a brief document but stressed that the controversial conclusions of the report were not shared by all Governments. The representative of Italy said that, if the Committee on Shipping decided to publish a booklet, it should include a preamble specifying that the study was being published by UNCTAD and that some of the conclusions were not supported by all Governments.

19. Referring to document TD/B/C.4/328, the spokesman for Group D (Bulgaria) said that it correctly reflected the developments in multimodal transport and suggested that the secretariat should carry out an in-depth study on how MTOs could turn into total distribution operators. According to his Group, note should be taken of the joint UNCTAD/ICC work and a request be made to accelerate its conclusions. He stressed that the majority of Group D countries were undergoing changes which should be taken into account in the Committee's work. His Group was pleased with the development of MULTISHIP and hoped to profit from it. His Group agreed to terminate the reference library.

20. The spokesman for the Group of 77 (Sri Lanka) supported the idea that the secretariat should carry out information activities, in particular in the field of EDI, in co-operation with other organizations. In this connection, the spokesman for Group B emphasized that the secretariat should not be involved in activities overlapping with other organizations' work and that Group B would need to know more about the financial implications of such information activities. The representative of China explained that the situation in China on those issues was very similar to the situation in many developing countries and that his country expected assistance from the secretariat in training and software development. He suggested that the secretariat should provide more information on the current legal status of MTO in developed countries and report to all States. The representative of Côte d'Ivoire stressed that international physical distribution had considerable consequences on developing country economies and suggested that a study should be made on this subject.

21. The representative of ALACAT considered the role of multinational freight forwarders in developing countries was important to secure transfer of modern know-how and agreed with the secretariat's conclusions that there was a total absence of apprenticeship programmes in this field. The representative of India supported paragraph 2 of the conclusions in the report. Referring to the role of freight forwarders in developing countries, he stressed that it should be left to each country to decide on how to promote and structure their multimodal transport organizations, depending on local conditions. The spokesman for Group B said that there was no need to give constant support to freight forwarders in strengthening their national or subregional structures. In addition to that, he felt that it did not become clear from document 328 what the specific functions of freight forwarders were and therefore further work should be done with regard to those functions before more far-reaching decisions could be taken by the Committee. The secretariat explained that, considering freight forwarders' numerous activities, some co-ordination was required, maybe in the form of a convention. In reply, the spokesman for Group B (Netherlands) said that, in the absence of the most basic information such as clarification of the functions of freight forwarders, there was no proven requirement or justification for contemplating guidelines on a convention governing the freight forwarding industry. The Chairman said that the Committee might be interested to know how freight forwarders worked in different countries.

22. On document TD/B/C.4/329, the spokesman for the Group of 77 (Sri Lanka) stated that his Group was concerned by the spread of oversize containers and expressed the importance of maintaining stability in container standards. He suggested that the secretariat should continue to monitor the developments and to conduct further studies in this field. The spokesman for Group D (Bulgaria), supported the Group of 77, in particular in relation to the future requirements in containers of different categories. The spokesman for Group B (Netherlands) said that in Group B countries there were mixed views on the new container sizes. He considered that the secretariat's proposed study on the economic, social and environmental consequences would not serve the purpose as the outcome would be highly debatable but agreed that the present monitoring should continue.

23. Regarding document TD/B/C.4/329, the representative of China stressed the importance of stability in container standards as a pre-condition for the development of multimodal transport in developing countries because, like other developing countries, China was basing its transport system on existing standards. He stated that the secretariat should continue to monitor container development in close consultation with ISO. He also requested the secretariat to make a study on the economic benefits and problems of the move to larger containers.

24. The representative of India referred to the constraints of resources which the developing countries had to face and stated that despite the resource constraints, India had made heavy investments to handle the ISO containers. If these investments were to be replaced or under-utilized to cater to the larger containers, it would be a difficult proposition to accept. Further, more investments would have to be made to handle the larger containers. It was noted that many developed countries also anticipated difficulties in handling these bigger containers. Further, the existing 150 containers were meeting the requirements of the trade of the developing countries. There should be stability in the size of containers and connected investments. Therefore, the Committee should make a positive assertion that it did not, at this stage, favour the use or incorporation of the high cube containers in ISO standards. He welcomed a study on ramification of increased container sizes. The spokesman for Group D supported the representative of India's statement concerning a study on this subject.

25. Concerning document TD/B/C.4/330, the spokesman for Group B (Netherlands) said that he found it clear and informative for shippers. The spokesman for Group D (Bulgaria) stated that it could be of help to Governments in decision making. However, for practical purposes, the secretariat could present a concise version of the document so that the shippers could use it as a manual.

26. The representative of China expressed gratitude to the secretariat for producing a good document.

27. The representative of India stressed that each country should be left to decide on how to regulate its multimodal transport.

28. The spokesman for the Group of 77 (Sri Lanka) commenting on document TD/B/C.4/323, commended the secretariat on a job well done in what he felt was one of the most important documents. He highlighted the importance of the technical assistance activities carried out and stressed that these should be continued. He felt that a study of the effects of the development of mega-multimodal transport operators and the development of total or physical distribution systems would be of importance as well as a study of the effects of the development of the emergence of mega-lessors. He suggested that the secretariat also undertake a study of the possibility of creating container pools in developing countries to reduce leasing expenses. He thought a study should be made on possible entry barriers to freight forwarders and multimodal transport operators.

29. On the same document, the spokesman for Group B (Netherlands) repeated that chapter I was very well drafted and could serve as a blueprint for future evaluations of the secretariat's work. Group B was however concerned about endorsing the request to undertake work on container standards, the results of which could be controversial and therefore not very worth while. He agreed that the monitoring of container standards should be pursued, but was not fully convinced regarding the carrying out of the studies proposed in the UNCTAD report. He was in favour of establishing a group of experts including 19 experts, from governments and industry, plus observers rather than establish a WIGSL type of group. Such a group could meet for one or two weeks with the specific mandate to prepare the secretariat's programme of work for the next decade. This programme would include ideas and experience of the private and public sectors concerned. In the meantime, the secretariat might initiate some work such as, inter alia, on EDI issues. The spokesman for Group D (Bulgaria) said that document TD/B/C.4/323 reflected the enormous amount of work done by the secretariat but did not sufficiently analyse the

relationship between multimodal transport and shipping. He considered that a review of the experience gained by multimodal transport operators using landbridges should be made. He also expressed his Group's view on the priorities of the work to be carried out by the secretariat.

30. Group D shared Group B's opinion regarding creation of an "ad-hoc" Group with the mandate to prepare a work programme for the next decade and to provide the secretariat with guidelines to proceed between sessions. The Group would report to the fifteenth session of the Committee which would then decide if its mandate should be extended.

31. The representative of China attached much importance to multimodal transport and was counting on UNCTAD's assistance on this issue. China was interested in the programme of work presented by the secretariat, particularly in relation to those aspects on the training of personnel in which the secretariat had experience, and which should be treated as priority projects.

32. The representative of IMO underlined the need for co-operation between UNCTAD and IMO in the field of EDI, as specified in paragraph 81 of document TD/B/C.4/323.

33. A representative of the UNCTAD secretariat, replying to Group B's comment on container standards, stated that this item had always been one of the "core" issues of the programme of work in the field of multimodal transport, and said that currently the issue had again acquired special importance taking into account the ISO proposal on series II containers. He recalled that, at its most recent meeting, in June 1989 in London, ISO TC 104 had adopted a resolution requesting, in particular of UNCTAD, an economic evaluation on the requirements of future containers. The secretariat should participate in this study to ensure that the positions of all interested parties, including developing countries, were properly taken into account.

34. At the 5th meeting, on 26 June 1990, the spokesman for Group B (Netherlands) introduced a draft resolution on item 3, submitted by his delegation on behalf of the States members of Group B. In this, his Group envisaged that a group of experts would draft a new programme of work for the Committee and that the Committee could then, at its fifteenth session, decide on its long-term programme for the next 5-10 years.

35. At the same meeting, the spokesman for the Group of 77 (Sri Lanka) introduced a draft resolution on item 3, submitted by his delegation on behalf of the States members of the Group of 77.

[To be completed as appropriate]

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Sessional Committee II

MULTIMODAL TRANSPORT

Multimodal transport including work programme

Draft resolution submitted by Sri Lanka on behalf of the States members of the Group of 77

The Committee on Shipping,

Recalling Economic and Social Council resolution 2098 (LXIII) which gave primary responsibility with respect to multimodal transport and containerization to UNCTAD, and Trade and Development Board resolution 169 (XVIII) which entrusted the work on the global aspects of multimodal transport and containerization, wherever there is a sea link, to the Committee on Shipping,

Recalling further Committee on Shipping decision 36 (IX) which drew up its programme of work in these fields,

Recalling also resolution 61 (XIII) which requested the secretariat to make a complete inventory of studies on multimodal transport and containerization carried out so far and its decision to review and decide on its draft programme of work and priorities in this field,

Noting the lack of response to the reference library on multimodal container tariff rules, to date,

Noting with concern the widening gap between the developed and developing countries with regard to technological progress in multimodal and maritime transport and in the application of electronic data interchange in international cargo transport,

Concerned over the emerging trends towards the creation of very large multimodal transport operators and container lessors in developed countries, utilizing the latest developments in electronic data interchange (EDI),

Also concerned with the adverse implications for the maritime and multimodal transport industries of developing countries and for the competitiveness of the international cargo transport market in general of the emerging trend towards the evolution of mega-multimodal and maritime transport operators operating on a global scale and of the trend towards the increasing size of containers,

Recognizing the important role played by freight forwarders in the development of multimodal transport,

Welcoming the work achieved by UNCTAD in collaboration with ICC to establish uniform standards relating to electronic data interchange and multimodal transport documents,

Aware of the strong desire of developing countries to participate on an equitable basis in multimodal transport and for the Committee to review, on a recurring and continuing basis, certain tasks as set out in previous committee resolutions and decisions as well as of the need for the Committee to plan its work both in the short and in the longer terms,

1. Invites States members of UNCTAD which have not yet become Contracting Parties to the United Nations Convention on International Multimodal Transport of Goods and the United Nations Convention on the Carriage of Goods by Sea, 1978 (Hamburg Rules) to consider ratifying or acceding to those Conventions;

2. Calls upon the Governments of developing countries to give high priority to the development of policies and programmes relating to the legislative, infrastructural and organizational arrangements required for the establishment and strengthening of national multimodal transport operators and the development of electronic data interchange and other technologies relating to multimodal transport;

3. Decides:

(a) To establish a Working Group on Multimodal Transport,

(b) To adopt the following programme of work for the Committee on Shipping in the field of multimodal transport:

A. Establishment of competitive multimodal transport operators in developing countries

(i) In view of the trend towards the use, by shippers, of large total transport chains and the recent development of highly sophisticated "mega total transport services" relying on EDI and similarly advanced procedures, the Committee will study the effects on developing countries of such new services;

(ii) With its interest in promoting cost-efficient international transport operations, the Committee will keep under review activities of modernizing and upgrading freight forwarding services to efficient multimodal transport services and the development of multimodal transport services into physical distribution;

B. Technological development

(i) The Committee attaches great importance to the transport organizers in developing countries having the possibility of utilizing the UN/EDIFACT procedures to their full advantage when connecting to communications systems or when local community systems are established. In order to contribute to the orderly development of EDI in the foreign trade of both developed and developing countries, the Committee will monitor and encourage the introduction by the transport industry in developing countries of EDI to facilitate the movement of goods and reduce transport costs;

(ii) The Committee will continue its examination of technological development including the further development of the MULTISHIP programmes;

C. Economics and adequacy of multimodal transport services

The Committee will review recent developments in the use of multimodal transport on selected trade routes/commodities, and identify possible benefits thereof;

D. Relationship between partners and institutional framework in multimodal transport

(i) Owing to the need for transport organizers to be able to operate not only in the country of departure, but also in transit countries and in the country of arrival, the Committee will identify possible entry barriers against freight forwarders and multimodal transport operators to enter the international transport market. The Committee will also analyse the level of revenue sharing in multimodal transport operations between developing and developed countries;

(ii) In order to encourage the development of multimodal transport through the transformation of freight forwarding companies into genuine multimodal transport operators offering relaible and competitive services, the Committee will investigate the need to develop certain model non-mandatory minimum standards for such companies with a view to facilitating multimodal transport and promoting the interests of all those involved in multimodal transport, including shippers and carriers;

E. Container issues

(i) The Committee is concerned over the trends towards the increasing use of larger-than-current ISO standard containers and will evaluate the impact of new container dimensions on the economies of developing countries in co-operation with ISO and the regional commissions;

(ii) The committee is also concerned over the high cost of the movement of empty containers and will investigate the possibility of creating container pools of multimodal transport operators in developing countries;

(iii) The Committee will study the effects of the emerging concentration of market power within the container-leasing industry to determine if this has had any effects on the level of container leasing fees and on the access to containers by container users in developing countries;

F. Technical co-operation and training

The Committee attaches great importance to the execution of technical co-operation projects on multimodal transport in developing countries. It is also concerned that such activities include human resource development courses at the managerial level for freight forwarders and MTOs and that use be made of relevant experiences from developing countries;

(c) To terminate the reference library on multimodal container tariff rules;

4. Instructs the UNCTAD secretariat to be available to execute technical co-operation projects and to organize training courses on multimodal transport and related technologies, financed by multilateral or bilateral sources to ensure adequate dissemination of information on multimodal transport for government officials, transport companies and importers/exporters. Such activities must include human-resource development courses at the managerial level for freight forwarders and MTOs;

5. Requests the UNCTAD secretariat to draw up model guidelines and model minimum standards that may be applied to the freight forwarding industry in developing countries;

6. Does not favour the incorporation of larg/high cube containers in ISO standards and also instructs the UNCTAD secretariat to take part in meetings at the International Organization for Standarization's Technical Committee 104, in order to monitor the developments concerning the "new generation" containers, and to ensure that developing countries' views are adequately taken onto account. The trend towards the increasing use of larger than current ISO standard containers and the impact of new container dimensions on the economies of developing countries, in co-operation with ISO and the regional commissions, taking into account the interests of all concerned parties. The study should include an economic, social and environmental analysis and an evaluation of possible costs and benefits which might result from the introduction of such containers;

7. Requests the UNCTAD secretariat to undertake the following studies and report thereon to the Committee at its fifteenth session:

(a) The effects of EDI on transport organizers and shippers, consignees, terminal operators and customs authorities of developing countries. The need to promote transport-related information technology in developing countries based on the new United Nations standards (UN/EDIFACT);

(b) The effects of the development of "mega multimodal transport operators" on multimodal transport operators in developing countries. The development of "total distribution services" in the context of multimodal transport from and to developing countries including the possible implications of this development on the fragile economies of the developing countries;

(c) A manual containing the basic concepts of multimodal transport for officials and practitioners;

(d) A comprehensive inventory of the actual situation in a number of representative countries from all regions of the world of possible entry barriers for freight forwarders and multimodal transport operators to enter the international transport market.

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Sessional Committee II

MULTIMODAL TRANSPORT

Multimodal transport and containerisation

Draft resolution submitted by the Netherlands on behalf of the States members of Group B

The Committee on Shipping,

Recalling that the Trade and Development Board, in pursuance of Economic and Social Council resolution 2098 (LXIII) and General Assembly resolution 32/206 had decided to entrust the work on the global aspects of multimodal transport and containerisation, wherever there is a sea link, to the Committee on Shipping,

Noting with appreciation the work carried out by the UNCTAD secretariat in pursuance of decision 36 (IX) of the Committee on Shipping (Programme of work of the Committee in the field of multimodal transport and containerisation) and decision 47 (X) as well as Committee on Shipping resolutions 55 (XI), 60 (XII) and 61 (XIII),

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Having reviewed the report by the UNCTAD secretariat entitled "Inventory of existing mandates and new draft programme of work in the fields of multimodal transport and technological development" (TD/B/C.4/323),

Being aware of the importance of the developments in multimodal transport and containerisation for international shipping,

1. Requests the Secretary-General of UNCTAD

(a) To convene during 1991 [92], within available resources, a group of experts for [one] week:

(i) To discuss developments in the field of multimodal transport and containerisation wherever there is a sea link;

(ii) To take stock of the principal problems that are experienced by users and providers of sea-borne multimodal and/or container transport operations; in doing so the experts should pay due account to problems identified by UNCTAD as rendering the introduction of modern transport technology difficult in developing countries:

- inadequate transport infrastructure;
- non-availability of investment;
- lack of expertise of qualified operators;
- lack of necessary information of officials concerned;
- inadequate legislation such as customs regulations; and
- unbalanced flow of container traffic;

(iii) To suggest elements of a future programme of work for the Committee in the field of multimodal transport and containerisation wherever there is a sea leg, bearing in mind a major objective to assist in practical terms MTOs and the multimodal movement of the trade of developing countries;

(b) To select, in accordance with the usual principles of geographical distribution, nineteen countries, which shall propose experts, from among whom the Secretary-General of UNCTAD will appoint nineteen experts, also in accordance with the usual geographical distribution, to participate in the group of experts in their personal capacity. They should include representatives of shippers/shippers' organizations, multimodal transport operators, shipowners and government officials. Observers representing sectors mentioned above and being directly involved in multimodal transport operations and containerisation as well as representatives of intergovernmental organizations and United Nations regional economic commissions may attend the meeting of the group of experts.

2. Requests the UNCTAD secretariat, in order to facilitate the work of the group of experts, to make available to the group of experts:

(a) The relevant documentation prepared and made available to the fourteenth session of the Committee on Shipping,

(b) A report on practical problems faced by governments and commercial parties involved in multimodal transport and/or container operations as experienced in UNCTAD's work in the field of technical assistance and training related to multimodal transport and containerisation and as demonstrated in UNCTAD's continuing monitoring of developments in the field of multimodal transport and containerisation,

(c) An analysis of additional training needs in the operational aspects of freight forwarding and multimodal transport,

(d) A study on how to improve freight forwarding and multimodal transport in developing countries via increased utilization of micro computers,

(e) A study on obstacles developing countries are facing with the introduction of EDI and ADP in co-operation with relevant organizations such as IMO and UN/ECE,

(f) A study of the problems and requirements in both shipping and multimodal transport that arise from the conversion of centrally planned economies towards free market economies;

3. Requests the Secretary-General of UNCTAD to make available the proposals and recommendations made by the group of experts to the Committee on Shipping at its fifteenth session for further consideration in order to enable the Committee on Shipping to adopt at that session its future programme of work in the field of multimodal transport and containerisation wherever there is a sea link.

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MULTIMODAL TRANSPORT

Multimodal transport including work programme

Draft resolution submitted by the Chairman

The Committee on Shipping,

Recalling that the Trade and Development Board, in pursuance of Economic and Social Council resolution 2098 (LXIII) and General Assembly resolution 32/206 had decided to entrust the work on the global aspects of multimodal transport and containerization, wherever there is a sea link, to the Committee on Shipping,

Noting with appreciation the work carried out by the UNCTAD secretariat in pursuance of decision 36 (IX) of the Committee on Shipping (Programme of work of the Committee in the field of multimodal transport and containerization) and decision 47 (X) as well as Committee on Shipping resolutions 55 (XI), 60 (XII) and 61 (XIII),

Having reviewed the report by the UNCTAD secretariat entitled "Inventory of existing mandates and new draft programme of work in the fields of multimodal transport and technological development" (TD/B/C.4/323),

Being aware of the importance of the developments in multimodal transport and containerization for international shipping,

Recognizing the need to monitor developments in the fields of multimodal transport and containerization, due to the rapid pace of structural and technological changes in these areas,

Welcoming the work undertaken by UNCTAD in collaboration with ICC in preparing the UNCTAD/ICC draft rules for multimodal transport documents,

Recognizing the need to avoid widening the gap between the developed and developing countries with regard to the implementation of multimodal transport and electronic data interchange, the implications of the emerging trends towards the creation of mega multimodal transport operators, container lessors and the use of larger than current ISO standard containers,

1. Requests the Secretary-General of UNCTAD:

(a) To convene during 1991, within available resources, a group of experts for one week:

(i) To discuss developments in the field of multimodal transport and containerisation wherever there is a sea link;

(ii) To take stock of the principal problems that are experienced by users and providers of multimodal and/or container transport operations wherever there is a sea link; in doing so the experts should pay due account to problems identified by UNCTAD as rendering the introduction of modern transport technology difficult in developing countries, in particular:

- inadequate transport infrastructure;
- non-availability of investment;
- lack of expertise of qualified operators;
- lack of necessary information of officials concerned;

- inadequate legislation such as customs regulations; and
- unbalanced flow of container traffic;
- reducing technology gap between developed and developing countries with regard to implementation of multimodal transport and electronic data interchange;

(iii) To suggest elements of a future programme of work for the Committee in the field of multimodal transport and containerization wherever there is a sea link, bearing in mind a major objective is to assist in practical terms MTOs and the multimodal transport of goods of developing countries;

(b) To select, in accordance with the usual principles of geographical distribution, nineteen countries, which shall propose experts, from among whom the Secretary-General of UNCTAD will appoint nineteen experts, also in accordance with the usual geographical distribution, to participate in the group of experts in their personal capacity. They should include representatives of shippers/shippers' organizations, multimodal transport operators, shipowners and government officials. Observers representing sectors mentioned above and being directly involved in multimodal transport operations and containerisation as well as representatives of intergovernmental organizations and United Nations regional economic commissions may attend the meeting of the group of experts.

(c) To make available for such a meeting of the group of experts full conference facilities including one six language team of interpreters.

2. Adopts its programme of work in the short term:

(a) To monitor trends in multimodal transport and containerization and of technological developments in these fields and keep the Governments abreast of such developments;

(b) To review UNCTAD's activities in technical co-operation and training related to shipping and multimodal transport operations and make appropriate recommendations to governments;

(c) To review the work and recommendations of the group of experts;

(d) To review the studies of the UNCTAD secretariat in the field of multimodal transport and containerization as contained in paragraph 3 and make recommendations to Governments and commercial parties if appropriate, bearing in mind:

(i) The effects on developing countries of the establishment of very large multimodal transport operations;

(ii) The modernizing and upgrading of freight forwarding services into efficient multimodal transport services; and

(iii) The development of multimodal transport services into physical distribution systems;

(iv) The evaluation of the impact of new containers dimensions on the economies of developing countries in co-operation with ISO and regional commissions;

(e) To decide at the fifteenth session of the Committee on Shipping on its future work programme in this area;

3. Requests the UNCTAD secretariat, in order to facilitate the work of the group of experts, to make available to the group of experts:

(a) The relevant documentation prepared and made available to the fourteenth session of the Committee on Shipping;

(b) A report on practical problems faced by governments and commercial parties involved in multimodal transport and/or container operations including the possible effects of mega multimodal transport operators on the total distribution systems in the context of multimodal transport from and to developing countries;

(c) A study on the effects of EDI and EDP on transport organizers and shippers, consignees, terminal operators and customs authorities of developing countries and obstacles they are facing with the introduction of EDI and EDP, in co-operation with relevant organizations such as IMO and UN/ECE;

(d) A study of the problems and requirements in both shipping and multimodal transport that arise from the broad economic reforms and restructuring of selected countries;

(e) A manual containing the basic concepts of multimodal transport for officials and practitioners;

(f) A study on block train services in multimodal transport wherever there is a sea link;

4. Requests the Secretary-General of UNCTAD to make available the proposals and recommendations made by the group of experts to the Committee on Shipping at its fifteenth session for further consideration in order to enable the Committee on Shipping to adopt at that session its future programme of work in the field of multimodal transport and containerisation wherever there is a sea link.

5. Invites States members of UNCTAD which have not yet become Contracting Parties to the United Nations Convention on International Multimodal Transport of Goods and the United Nations Convention on the Carriage of Goods by Sea, 1978 (Hamburg Rules) to consider ratifying or acceding to those Conventions;

6. Calls upon the Governments of developing countries to give high priority to the development of programmes relating to the establishment and strengthening of national multimodal transport systems and the development of electronic data interchange and other technologies relating to multimodal transport;

7. Instructs the UNCTAD secretariat to take part in meetings at the International Organization for Standardization's Technical Committee 104, in order to monitor the developments concerning the "new generation" containers, and to ensure that developing countries' views are adequately taken into account;

8. Requests the UNCTAD secretariat in co-operation with ISO and the regional commissions to study the trends in the change of dimensions of containers in use and the impact of the introduction of such new container dimensions on the economies of the developing countries, taking into account the interests of all concerned parties. The study should include an economic, social and environmental analysis and an evaluation of possible costs and benefits which might result from the introduction of such containers. Pending the completion of the study, the Committee expresses reservations about the introduction of non-ISO standards containers.